

*Please amend claims 24-26 as follows:

a1 24. (Amended) A method of bypassing removal of embedded data during digital bit-rate reduction which includes using separate data embedding techniques for non-compressed and compressed data.

Sub B1 25. (Amended) The method of claim 24 in which the auxiliary information is not lost during the compression by:

- (a) retrieving the auxiliary information from the non-compressed data;
 - (b) compressing the combined data; and
 - (c) re-embedding the auxiliary information in the compressed data,
- whereby the compressed data comprises the auxiliary information embedded therein.

26. (Amended) The method of claim 24 in which the auxiliary information is not lost during the decompression by:

- (a) retrieving the auxiliary information from the compressed data;
 - (b) decompressing the compressed information; and
 - (c) embedding the auxiliary information in the non-compressed data,
- whereby the non-compressed data comprises the auxiliary information embedded therein.

*Please add new claims 28-50 as follows:

a2 28. (New) The method of claim 24 wherein the digital bit-rate reduction comprises compression.

30/21 29. (New) The method of claim 25 wherein the compression comprises encoding.

30. (New) The method of claim 26 wherein the decompression comprises decoding.

31. (New) The method of claim 28 wherein the compression comprises encoding.

32. (New) The method of claim 28 wherein the decompression comprises decoding.

33. (New) A method comprising:

retrieving auxiliary information from a data signal, wherein the auxiliary information is encoded in the data signal, and wherein the auxiliary information is retrieved from the data signal while the data signal comprises a non-compressed form; compressing the data signal; and embedding the retrieved auxiliary information in the compressed data signal, wherein the compressed data comprises the retrieved auxiliary information.

34. (New) The method of claim 33, wherein the retrieved auxiliary information is steganographically retrieved from the compressed data signal.

35. (New) The method of claim 34, wherein the retrieved auxiliary information is encoded in the compressed data signal in the form of a steganographic watermark.

36. (New) The method of claim 33 wherein the data signal includes the auxiliary information embedded therein during said compressing step.

37. (New) A method comprising:

retrieving auxiliary information from a data signal, wherein the auxiliary information is encoded in the data signal, and wherein the auxiliary information is retrieved from the data signal while the data signal comprises a compressed form; decompressing the compressed data signal; and embedding the retrieved auxiliary information in the de-compressed data signal,

whereby the de-compressed data signal comprises the auxiliary information embedded therein.

38. (New) The method of claim 37, wherein the retrieved auxiliary information is steganographically encoded in the de-compressed data signal.

39. (New) The method of claim 37, wherein the retrieved auxiliary information is encoded in the de-compressed data signal in the form of a steganographic watermark.

40. (New) A method comprising:
retrieving auxiliary information from an original data signal, wherein the auxiliary information is encoded in the original data signal;
performing a transformation on the original data signal to create a transformed data signal; and
embedding the retrieved auxiliary information in the transformed data signal, wherein the transformed data comprises the retrieved auxiliary information.

41. (New) The method of claim 40 wherein the auxiliary information is steganographically retrieved from the original data signal.

42. (New) The method of claim 41 wherein the auxiliary information is steganographically encoded in the transformed data signal.

43. (New) The method of claim 40 wherein the auxiliary information is steganographically encoded in the transformed data signal.

44. (New) The method of claim 40 wherein the transformation causes the auxiliary information not to be detectable from the transformed data signal.